

What Are Management Controls

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ASC - On The Line

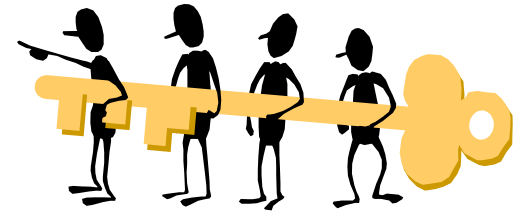


What are Management Controls?

- ✓ **Management Controls are:**
 - **Devices or methods.**
 - **Limitations and restrictions.**
 - **Tools.**



What Are Management Controls?



✓ **AR 11-2, Management Controls**
defines management controls as:

- **the rules,**
- **procedures,**
- **techniques and**
- **devices**

that managers use to ensure that what should occur in their daily operations does indeed occur on a continuing basis.



Remember

Management Controls ensure

**“ What is supposed to be
happening is indeed
happening.”**



What Are Examples of Controls?

✓ **Regulations?**

YES, If the regulation covers all the key critical functional areas controls and the personnel follow the regulation.



What Are Examples of Controls?

✓ **Thermostat?**

NO! This is a heating equipment and air conditioning equipment control.



What Are Examples of Controls?

✓ **Standard Operating Procedure (SOP)?**

YES, if the SOP has covered all critical areas (Safety, operations, etc.) and the personnel follow the SOP closely.



What Are Examples of Controls?

✓ **Security Guards?**

YES, they do Force Protection duties.





What Are Examples of Controls?

✓ **Certification and Approval of Funds?**



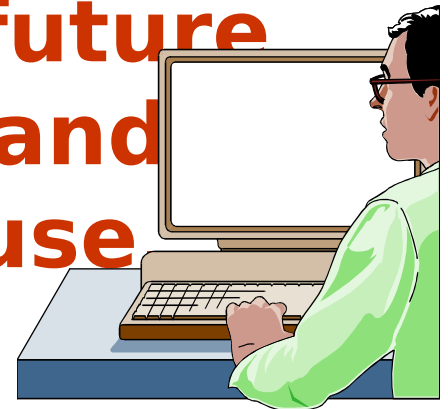
YES, this is a key financial management control which is designed to prevent unauthorized use of funds.



What Are Examples of Controls?

✓ Computer Access Cards?

YES, This provides PC security, provides digital electronic signature, future encryption capability and future unauthorized use





What Are Examples of Controls?

✓ **TV cable remote control?**

NO! This provides control of the TV cable channels. However, parental control block (of certain channels) and parental monitoring of children TV viewing is a management control.



What Are Examples of Controls?

✓ **Defense Travel System (DTS)?**

YES, ASC Management uses DTS to authorize TDY and approve voucher payments.

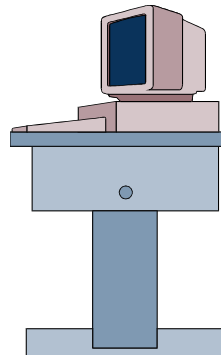




What Are Examples of Controls?

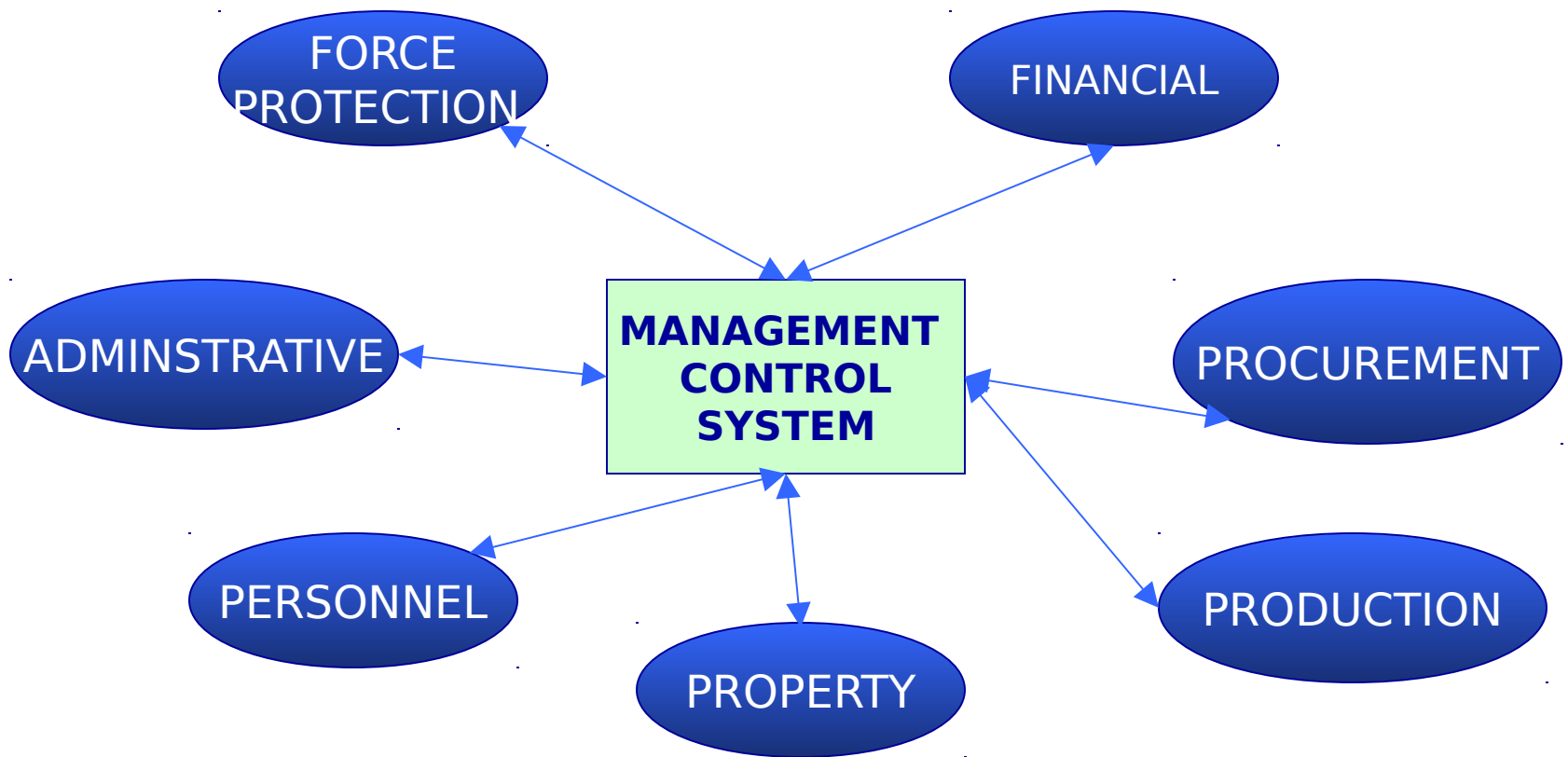
✓ **Computer passwords?**

YES, They restrict access to various systems and provide security.



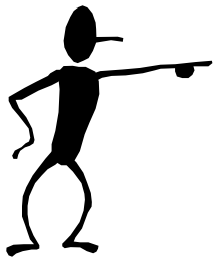


Management Control System

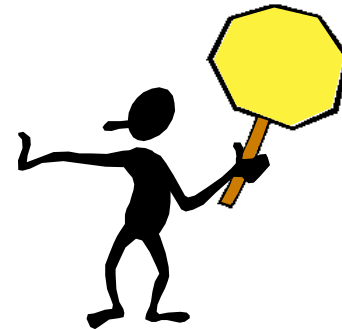




Management = Control



- ✓ **Good management controls are inherent in a manager's job.**
- ✓ **Good common sense.**
- ✓ **Good business practices.**





The Role of Managers

- ✓ **Use management controls.**
- ✓ **Lead by Example of Ethical Conduct.**
- ✓ **Monitor the quality of performance over period of time.**
- ✓ **Put into effect, procedures and policies.**



Why Management Controls in the Federal Government?

- ✓ **The 97th Congress passed the Federal Managers Financial Integrity Act - PL 97-255.**
- ✓ **Requires each executive agency have management controls.**
- ✓ **Integrity Act is implemented within:**
 - **Executive Branch by OMB Circular A-123.**
 - **DoD by DoD directive 5010.38.**



Why Management Controls in the Federal Government (Cont.)?

- ✓ **The Integrity Act is implemented within:**
 - **Executive Branch by OMB Circular A-123.**
 - **DoD by DoD directive 5010.38.**



US Army Guidance

- ✓ **AR 11-2, Management Control**
 - **Authority and Responsibilities**
 - **Policy and Requirements**
 - **Appendices:**
 - **References**
 - **Comptroller General Standards**
 - **Management Control Evaluation Checklist**
 - **DA Form 11-2-R (certification form for evaluations)**



CG ASC Emphasizes Management Controls

- ✓ **Signed and issued ASC's Policy Number 11-1, Management Controls and Stewardship.**
- ✓ **Emphasizes importance of management controls in stewardship of resources.**



Management Control Process

- ✓ **Performance Objectives**
- ✓ **Evaluate Controls**
 - **Evaluation Checklists**
 - **Alternative Evaluations**
 - **Higher HQ Reviews**
 - **Internal Performance Measurements**
- ✓ **Material Weaknesses**
- ✓ **Annual Assurance Statement**



Performance Objectives

- ✓ **Army - AUMs must have management controls performance objective (OER or TAPES).**
- ✓ **Objective can:**
 - **Cite AR 11-2 chapter.**
 - **Be generically worded.**



Assessable Unit Managers (AUMs)

- ✓ **Subordinates of reporting organization.**
- ✓ **ASC AUMs - Commanders, Deputies, Assistant Chiefs of Staffs, Office Chiefs.**
- ✓ **Installation AUMs - Directors, Division Chiefs, Office Chiefs.**